

Responsible partnership

*PwC Finland's Corporate
Responsibility Report
2011*



Our company in a nutshell

PwC Finland* is a Finnish company that is part of the international PwC network of firms active in 158 countries. In Finland, PwC has more than 700 experts in 20 locations around the country.

We help businesses to grow, develop, act efficiently and report reliably—whether the client is a growing enterprise, family-owned business, listed company or public organisation. The most important factor is that we enhance value for our clients.

Our services cover consulting, deals, tax, audit and other assurance services.



Key figures

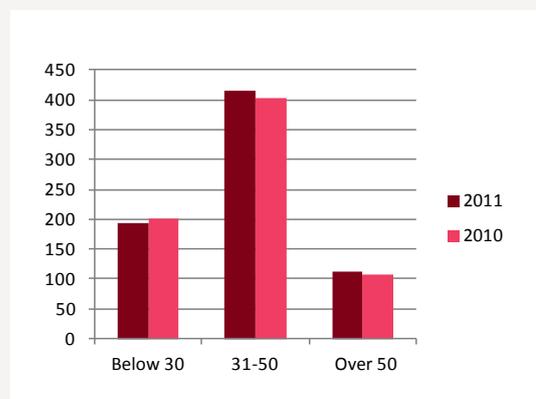
Turnover per Line of Service

t€	2011	2010	2009
Assurance	58 387	57 544	57 307
Tax	19 442	18 144	16 244
Consulting and Deals	13 579	11 319	14 160
Total	91 409	87 007	87 712

Number of staff

	2011	2010	2009
Assurance	438	446	411
Tax	141	125	119
Consulting and Deals	97	94	128
Administration and Support Functions	63	63	60
Total	739	728	718

Age structure of staff



** PricewaterhouseCoopers is a Finnish company that belongs to the international PwC network, in which each member is a separate legal entity with local ownership and management. Member firms are connected through membership in PricewaterhouseCoopers International Limited (PwCIL), which is an English company limited by guarantee coordinating certain functions of the member firms in the network.

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Review of fiscal year by the CEO

Our fiscal year, which finished at the end of June 2011, began promisingly, with increasing signs of a picking up and corporate transactions beginning to appear in the markets. However, the debt crisis in the EU region overshadowed the recovery.

Our turnover grew by roughly five per cent from the previous year and totalled €91.4m (€87.0m). In my opinion, the growth was relatively good, even if we aimed for higher growth. The growth was favourably affected by investment into management consulting, assignments concerning corporate transactions and the growing need for tax consulting in the market.

We offer comprehensive audit, tax and transaction services and those geared at improving business productivity over business boundaries, but internally we are organised into three Lines of Services: Assurance, Tax, Consulting & Deals.

More than half of our turnover (€58.4m) came from auditing and pertinent assurance and consulting services, which is a little more than last year (€57.5m). Our market share has increased and remained strong but tough competition was seen in the weakening profitability of auditing services.

The demand for our tax services continued to grow, which was seen during the fiscal year in a roughly 10 per cent rise in turnover (€19.4m). The corresponding figure last year was

€18.1m. The biggest areas of growth were our management consulting and transaction services, the turnover of which rose to €13.6m (€11.3m) after a few challenging years.

Added value for clients

We launched a new brand at the beginning of our fiscal year in October 2010. For the first time, all PwC firms in 158 countries have a brand promise guiding our activities. Our marketing title was also shortened from 22 letters to three, i.e. PwC. We want to operate in closer proximity to our clients and produce genuine added value—this lies at the core of our strategy.

Added value means different things for each client. We listen to our clients with an even more sensitive ear to recognise their true needs. According to the results of client satisfaction surveys, we have succeeded in this, although according to our own Brand Health Index study, we do not stand out enough from our competitors.

In addition to our services, we produce added value for our clients through various seminars, training and other events. We also produce studies and issue newsletters on different topics to keep our clients informed of the changes in the different sectors. Examples of these include the first extensive Corporate Responsibility Barometer 2011 in Finland, the international CEO Survey and the already traditional PwCwomen event for women leaders.

Goal to be the most sought-after employer

We also want to offer added value to our staff. Our goal is to be the most sought-after employer in the sector. At the end of the fiscal year, we employed 739 people. The corresponding figure last year was 728. The average term of employment was 7.8 years (7.5).

Based on the annual survey, the job satisfaction of our staff was not at the level we hoped for, although it improved from the previous year. I started as CEO at the beginning of June, which is when I launched the discussion forum "Greetings to the CEO" in our intranet. I was pleased when the forum spurred much activity and we received several development ideas from the staff in a short time.

Our responsible conduct

Our company values and ethical principles emphasise responsibility towards all of our stakeholders. In corporate responsibility, we are the leading actor in our sector, not only when it comes to our own activities but also in the corporate responsibility services produced for our clients. We have the first Green Office year behind us, and we achieved our environmental goals well. However, a lot remains to be done.

We have the first Green Office year behind us, and we achieved our environmental goals well. However, a lot remains to be done.

I believe that our high-quality and value-adding service is the best token of responsibility for our clients. Internally, we speak of the PwC Experience, which defines our conduct towards clients and colleagues. Our goal during the fiscal year is to continue to implement these good practices throughout our entire staff.

Supporting entrepreneurship and encouraging the entrepreneurial spirit

Following the positive expectations of spring, the fiscal year that began in July began to look challenging because of the market situation. At the time of writing this review in September, it seems that we have to succeed exceptionally well to reach the goals that we set for this fiscal year in late spring.

Our vision supports entrepreneurship and, given the current market situation, we need the entrepreneurial spirit more and more ourselves. I believe that with our knowledgeable and capable employees we will be able to support our clients in these challenging economic circumstances and achieve the goals set for our business.

I offer my warmest thanks to all our employees for your valuable input. I also thank our clients and cooperation partners for your trust and the many good times that we have shared together.



Kim Karhu
CEO

Review by the Head of Sustainability & Climate Change Services

At PwC, we wish to be part of the development that takes us towards a sustainable future with respect to our own company and the business of our clients. That is why we take corporate responsibility seriously.



Sirpa Juutinen
Sustainability & Climate Change
Services

As employees of PwC, we have a ringside seat when it comes to business and changing circumstances in society, since we interact with firms from many different industries. In collaboration with our clients, we look for solutions that allow us to respond to sometimes rapidly changing situations. At the same time, we pave the way for the future in the long run.

While building the future, we are forced to take sides—as individuals and as a company—to the kind of world we wish to live in and the kinds of circumstances we wish to leave for our children. These issues have to be addressed today. There is still time, but not forever.

At PwC, we wish to be part of the development that takes us towards a sustainable future with respect to our own company and the business of our

clients. That is why we take corporate responsibility seriously. We understand that our clients want to prepare for the future by considering, for example, threats resulting from climate change and pertinent business opportunities.

Different solutions relating to energy consumption are important in order to minimise emissions and to save costs. Questions are related to the availability of many raw materials. Global production together with long delivery chains requires major efforts in creating and maintaining acceptable working conditions.

The availability of knowledgeable and thriving staff is not self-evident. The staff at workplaces are composed of many generations, women and men, with a mixture of ethnicities and characteristics. The quality and



responsibility of management are integral in determining how well these differences translate into the human capital essential for the success of a company.

In all these matters, we support our clients in finding the right solutions. In our own activities, too, we take responsibility seriously. For years now, we have diligently developed our corporate responsibility, on which we now report for the first time using the GRI framework. Following the advice we give to our clients, we now wish to enlighten our own stakeholders on what corporate responsibility means in terms of PwC's own activities, what objectives we have set for it, and what results we have achieved during the reporting year. We welcome any feedback.

About this report

You are reading the first Corporate Responsibility Report of PwC Finland. For years now, we have supported our clients in developing corporate responsibility and reporting thereon, and provided assurance for the corporate responsibility information of dozens of our clients through our corporate responsibility services. In recent times, our clients have increasingly inquired about PwC's own corporate responsibility reporting.

Encouraged by the Green Office symbol awarded to us in 2010 and by our Sustainability & Climate change team, we decided to publish PwC's first Corporate Responsibility Report to live up to the expectations of both our external and internal stakeholders. We also want to prove our role as a leader in our sector regarding responsibility and to convey our activities—challenges as well as achievements—also externally.

The Management Team of PwC Finland has defined the material aspects of corporate responsibility in collaboration with our corporate responsibility experts. The results for materiality analysis were updated for the purpose of the present report. When defining the contents of the report, the framework of corporate responsibility in the PwC international network, the essential features of the sector and the views of the staff were taken into account.

Our corporate responsibility report is divided into five main themes that were recognised as material: Our responsible conduct, Influencing society, Staff, Clients and Our environmental impacts.

We do not discuss our financial responsibility separately in this report, as our financial information is reported by means of the statutory financial statements. We recognise, however, that the efficiency and financial profitability of our operations set the foundation for responsible activities. To be responsible towards our clients and staff, we must look after our profitability.

The international Global Reporting Initiative (GRI) Guidelines (version 3.0) have been applied in the making of this report. We have assessed that our reporting fulfils the criteria of application level C. The GRI content comparison table can be found on our website at www.pwc.com/fi/grien.

The more detailed reporting principles and report parameters have been described on page 26. Our objective is to improve the completeness and accuracy of the information over the coming years while we develop the reporting process.

We hope that our first corporate responsibility report will spur on other smaller or medium-sized firms to report on corporate responsibility, and provide additional information to our clients, staff and future employees and other stakeholders, who have an interest towards us. We also welcome feedback to develop further our reporting in the future. Feel free to contact us or leave feedback at www.pwc.com/fi/feedback.

***The most material aspects of
responsibility for us***

Our responsible conduct

- Ethical principles
- Independence
- Quality
- Expertise

Influencing society

- Development of regulation
- Development of client responsibility
- Thought leadership

Clients

- Client satisfaction
- Development of key clientships
- Development of business models

Staff

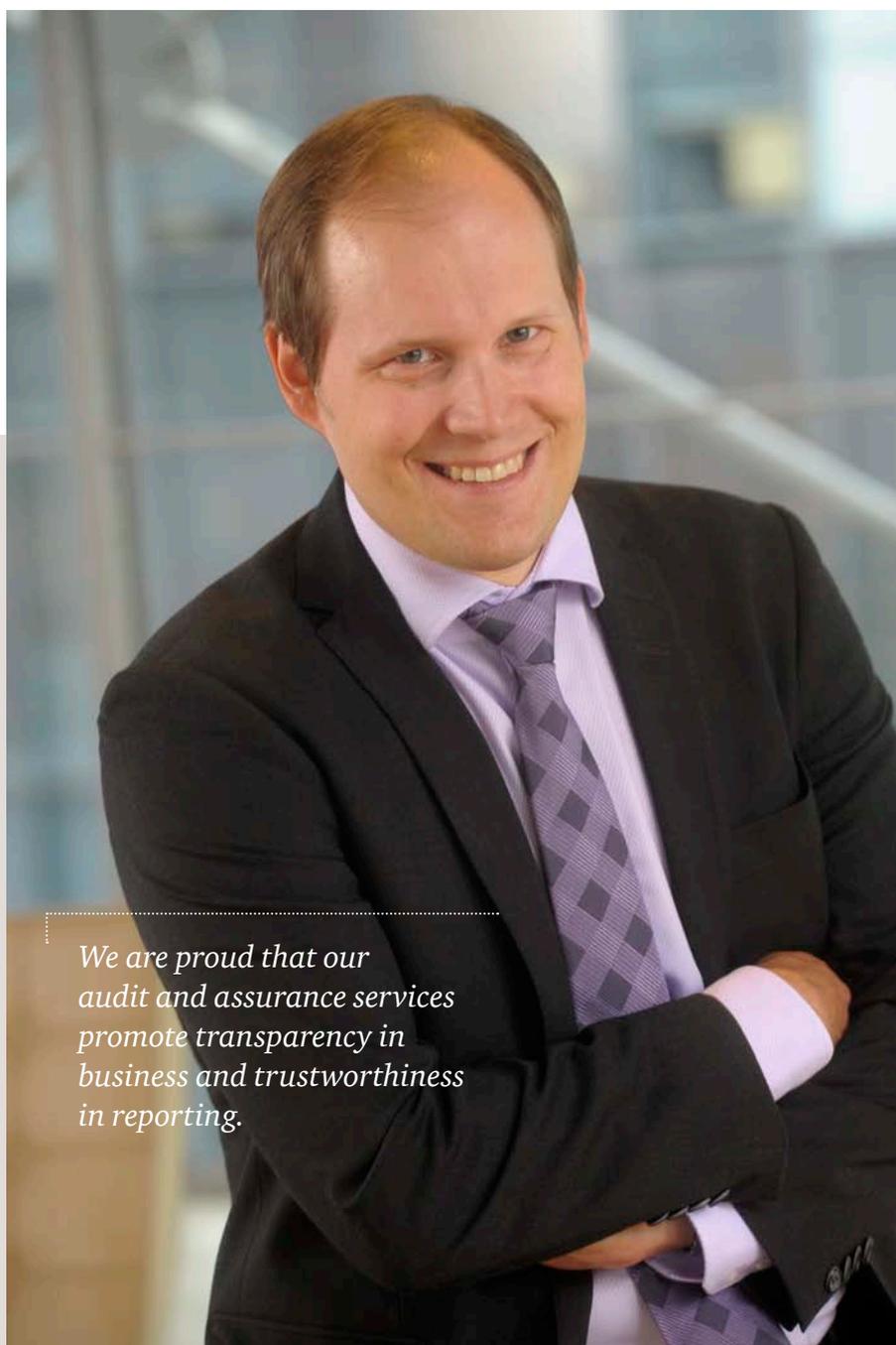
- Job satisfaction
- Know-how and expertise
- Work-life balance

Environment

- Reducing the impacts on the environment
- Consulting and assurance services provided for clients

Efficiency and profitability

Values and ethical principles provide the basis for our conduct



We are proud that our audit and assurance services promote transparency in business and trustworthiness in reporting.

As a company, we operate in a sector which is based on trust, excellence and a high level of expertise. It is vitally important that we operate responsibly as a company and as individual employees, and adhere to common practices.

We are a company owned by the experts who work for us and our position as an APA community places demands on our ownership and administrative structure.

In addition, the common values and ethical principles of the international PwC network, the Code of Conduct, provide a basis for conduct in our organisation. During orientation, new PwC staff learn about our ethical and other principles that are important for our activities, such as adherence to ethical professional standards, maintenance of independence, risk management, confidentiality and quality. More about our practices regarding these areas can be found in our Transparency Report at www.pwc.com/fi/transparencyreport. Our ethical principles can be found at www.pwc.com/ethics.

We are proud that our audit and assurance services promote transparency in business and trustworthiness in reporting. We also participate in the prevention of the grey economy and corruption as stipulated by the money laundering legislation that

accountants are bound by. All our experts who interact with clients must take training in the prevention of money laundering, and we have included these aspects in the client risk assessment which need to be conducted prior to approval and reception of clients and assignments.

Our values

PwC's values—teamwork, excellence and leadership—boost our strategy and offer a basis for all our activities. Our values guide our everyday choices.

Teamwork

The best solutions come from working together with colleagues and clients. Efficient teamwork requires interaction, observation and sharing information.

Excellence

We deliver what we promise and produce added value beyond expectations. We achieve excellence through innovation, continuous development and flexibility.

Leadership

We want to be leaders in our own field. Leadership requires courage, vision and honesty.



Our firm participates in influencing society

We are privileged to have a ringside seat to the world of Finnish business and society at large. In addition to client assignments, many of our experts also have training duties outside the company and, for example, lecture in different educational establishments. We are also actively involved in the activities of the Finnish Institute of Authorised Public Accountants, which is our sector lobbyist.

Active stakeholder cooperation is important to us, not only from the point of view of maintaining present and potential new clients but in order to participate, for example, in the development of regulation in our sector.

We actively engage in R&D that we feel will benefit our clients. For example, in collaboration with Boardman, the Finnish Association of Professional Board Members and Roschier, we have twice arranged a competition and assessed the Corporate Governance reporting of Finnish listed companies. In the fiscal year, we also published PwC's first Corporate Responsibility Barometer, which examines the state of corporate social responsibility in Finnish companies. Each year, we arrange an Open report competition for associations and foundations, through which they are encouraged to more open reporting of their activities.

Clients and staff hold key roles

Our major stakeholders include clients, staff, the media, educational institutions, NGO's and associations, the public, other member firms of the PwC network throughout the world and cooperation partners.

Clients and staff hold key roles. Other stakeholders are primarily linked to sales promotion and the promotion of marketing or recruitment (e.g. cooperation partners and educational institutions) or, for example, to lobbying (e.g. the Finnish Institute of Authorised Public Accountants).

Our primary cooperation partners during the fiscal year included the above-mentioned Boardman and the Finnish Association of Professional Board Members; Chambers of Commerce; the Finnish Institute of Authorised Public Accountants; the Federation of Family Associations; the

Finnish Venture Capital Association; Sitra, the Finnish Innovation Fund; Tekes, the Finnish Funding Agency for Technology and Innovation; and universities and polytechnics. The Sibelius Academy was a new educational institution that came in during this fiscal year. Through collaborative networking with these parties, we want to ensure that we are present whenever our clients are; our main social network is rooted in these groups. It is also important that the chosen actors develop the sectors or topics that are important for us. The social networks also offer us an opportunity to maintain relationships with stakeholders.

Financial benefit to stakeholders from activities of PwC Finland

t€		2011	2010	2009
Clients*	Revenue	91 598	87 123	88 384
Suppliers**	Purchased goods and services, rents	-26 353	-24 800	-27 291
Employees	Personnel costs inc. social security expenses	-61 175	-58 478	-58 234
Creditors	Net financing income/expense	121	53	378
Owners	Dividends	-1 369	-1340	-1 336
Public sector	Income tax	-627	-766	-630
Communities	Donations and sponsorship	-442	-251	-50
Retained in business		1 753	1 541	1 221

*Including turnover and other operating income

**Does not include depreciation of non-current assets

Corporate responsibility barometer

During the fiscal year, we published for the first time an extensive corporate responsibility barometer charting the corporate responsibility of 580 Finnish companies. According to the barometer, Finnish companies have clearly focused more on developing the reporting on corporate responsibility than the management thereof. With the exception of a few companies, corporate responsibility has not risen to a strategic level. The intention is to publish the barometer annually.



We also promoted corporate responsibility during the fiscal year by, for example, continuing cooperation with Finnish Business & Society (FiBs) and by acting in the appraisal committee of the corporate responsibility reporting competition arranged by the Finnish Institute of Authorised Public Accountants. Appointed by the Institute, the head of our Sustainability & Climate Change Services Sirpa Juutinen is the chair of the group of organisers of the reporting competition. She is also the expert member in the Society and social responsibility advisory board of the Ministry of Employment and the Economy.

From the point of view of our own risk management, we must exclude rendering services to those clients who do not meet the demands of our risk management policy, with regard to adherence to rules and regulations. By choosing our cooperation partners carefully, we implement our responsible conduct.

Forms of stakeholder interaction

The table on the following page demonstrates the manner in which we maintain relations with our stakeholders. It also illuminates the expectations our stakeholders have of us. Our management team supervises stakeholder relations as part of normal business management. Where necessary, stakeholder feedback will be discussed by the Board of Directors. Additionally, every major stakeholder group has an appointed contact, who is commonly a partner at PwC Finland.

A major channel of interaction for clients is the annual client satisfaction survey. The results are discussed by the Management Team and the Board of Directors, after which the partner who is responsible for specific clients ensures that the necessary measures are taken on the basis of the feedback. Following this, clients will be personally interviewed where necessary. Our interaction with clients has been described in more detail in the chapter regarding Clients, see page 14.

For our staff, the major channels for voicing opinions are the annual staff questionnaire (Global People Survey) and the People group. You can read more about the People group on page 20, and the results of the staff questionnaire are described on page 19. The “Greetings to the CEO” discussion forum was introduced for the first time during this fiscal year, and it channels staff feedback to our CEO. The comments that have been received have been discussed by the Management Team and the Board of Directors, and measures have been taken for example to promote openness and transparency, and to improve equality, management and remuneration.

Our clients have recently brought up their own concerns regarding, for example, the change of generation in family-owned businesses. Our objective is to offer more support and assistance to family-owned businesses in the challenges related to generational change. Only by listening to our clients are we able to develop our business in the right direction.

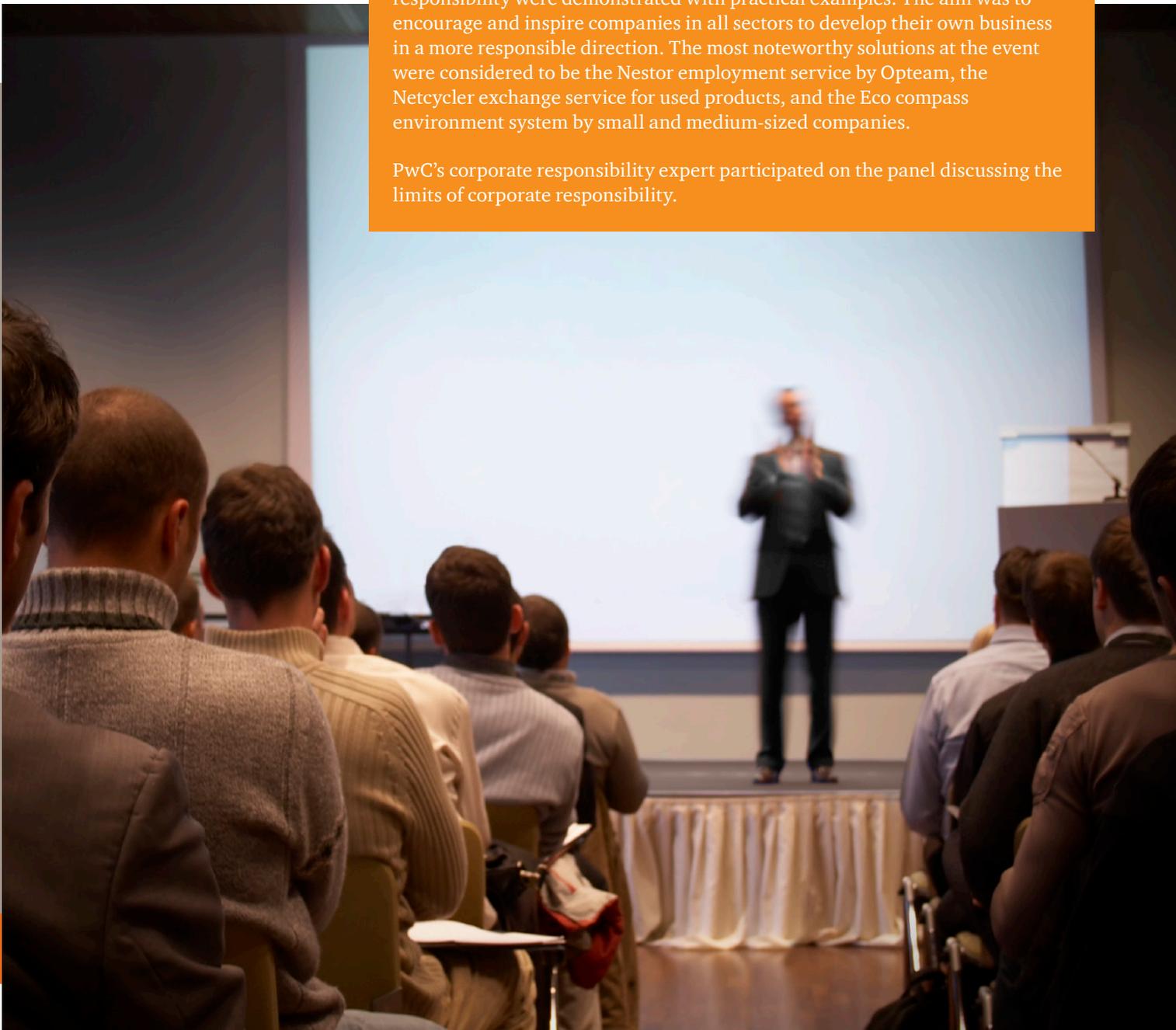
Forms of stakeholder interaction

Stakeholder	Forms of interaction	Example of stakeholder cooperation during the fiscal year	Plans to develop cooperation
Clients	<p>Client meetings</p> <p>Client events</p> <p>Client feedback</p> <p>Brand Health Index study</p> <p>PwC publications and studies</p>	<p>We carried out the annual client satisfaction survey during the fiscal year. The business areas also requested engagement-specific feedback following each assignment throughout the year.</p>	<p>We want to make sure that the client satisfaction surveys return a sufficient number of responses and that they are obtained from the right parties. The results will be analysed better in the future together with the results of the Brand Health Index.</p>
Staff	<p>Global People Survey measuring job satisfaction</p> <p>Intranet</p> <p>Staff magazine</p> <p>Reviews of the CEO</p> <p>Greetings to the CEO forum</p> <p>Group meetings</p>	<p>The response rate to the job satisfaction survey conducted in the spring was 66% (84% the previous year). More about the results on page 19.</p> <p>One hundred comments were obtained from the staff to the Greetings to the CEO forum, accompanied by 650 like/dislike responses.</p>	<p>Interaction, open discussion and transparency of decision-making will be increased. The possibility for open communications is provided to staff via, for example, the CEO discussion forum.</p>
Educational institutions	<p>Cooperation agreements with educational institutions</p> <p>Teaching</p> <p>Recruitment events and fairs in educational institutions</p> <p>Company visits to PwC</p> <p>Trainee programme</p>	<p>In this fiscal year, we engaged in cooperation with, for example, the Helsinki School of Economics, the Turku School of Economics, the Hanken School of Economics, the Åbo Akademi University, and the universities of Jyväskylä, Oulu, Tampere, Vaasa and the Faculty of Law at the University of Helsinki. In the fiscal year, we also began cooperation with the Sibelius Academy.</p>	<p>We seek to find new and different forms of cooperation with regard to studies, for example.</p> <p>We also want to raise awareness of our company among students. The aim is that PwC is known not only for auditing but for the other services as well.</p>
Cooperation partners	<p>Events</p> <p>Seminars</p> <p>Writing publications and books</p> <p>Studies</p>	<p>In collaboration with Boardman, the Finnish Association of Professional Board Members and Roschier we arranged the Corporate Governance competition.</p> <p>We participated in the evaluation working group of the corporate responsibility reporting competition held by the Finnish Institute of Authorised Public Accountants, and in many training events arranged by the Institute.</p>	<p>Our aim is to deepen the existing forms of cooperation, not to increase their number. The forms of cooperation are developed so as to consider even more carefully what serves our stakeholders best at any given moment.</p>

Corporate Responsibility event Ratkaisun paikka (Time to make a Decision)

During the fiscal year, we were one of the main cooperation partners in the Ratkaisun paikka event, which was the first fair in Finland focusing on corporate and social responsibility, and the biggest event in the field 2011. During the event, the business benefits and opportunities of corporate responsibility were demonstrated with practical examples. The aim was to encourage and inspire companies in all sectors to develop their own business in a more responsible direction. The most noteworthy solutions at the event were considered to be the Nestor employment service by Opteam, the Netcyclor exchange service for used products, and the Eco compass environment system by small and medium-sized companies.

PwC's corporate responsibility expert participated on the panel discussing the limits of corporate responsibility.



Close to the client

Responsibility towards our clients means high-quality work that creates added value for clients. It is at the core of our activities and the PwC brand to produce added value for our clients. This can only succeed by being close to them and listening, to be able to recognize the needs of the client and find the right solutions. The most important thing is that we enhance value for our clients.

Our clientele includes growth enterprises, family-owned businesses, listed companies and actors in the public sector. In fact, the majority of our clients are medium-sized companies operating around the country.

From first meeting to decades-long partnership

Our aim is to create genuine partnerships, in which meeting the client's needs and producing added value are possible. Many of our clients have worked with us for decades.

High quality and independence are issues on which we will not compromise. New clientships always begin with an initial screening, in which we ensure that the cooperation can begin without any risk to either party.

The quality of our work is supported by, for example, the extensive training possibilities of our experts and the comprehensive research and publication activities of the international network and our own company. We supervise quality using strict methods. More can be read on the topic in PwC's Transparency Report at www.pwc.com/fi/transparencyreport.

In addition to high-quality client assignments, we seek to create added value for the client through various

client events, seminars and training, which we arranged dozens of times during the fiscal year that ended in June 2011. Examples of these included "Corporate responsibility on the Board of Directors' agenda" for board members and the IFRS Puzzle events, a nine-part series of training sessions illuminating topical issues concerning IFRS. We also produce flash newsletters, such as Tax Express for all clients of tax services and NonProfit-info for associations and foundations.

The service provided to clients is often the result of teamwork of many experts, but an appointed PwC partner is always responsible for the client. We engage in performance appraisals with clients, and when partners' own performance is assessed, client management is one of the aspects discussed.

On a corporate level, our Markets Leader, who is also a member of the Management Team, is responsible for the management and development of clientships. It is the duty of the Markets Leader to follow the development of the markets to recognise client needs and service innovations.

Client feedback is a major means of development

In addition to constant interaction, we measure our success with clients by using three indicators: feedback questionnaires following each engagement, the annual Client Experience Survey and the Brand Health Index survey describing the value of our brand.

We have implemented common practices on responding quickly and in

an appropriate way to client feedback. Even if we are still learning, our ability to react to client feedback has improved. Engagement-specific feedback exists on the scorecards of most of our experts.

Things do not always go according to manuals or as planned, however. Quick intervention in problem situations usually ensures continued cooperation. We also seek to learn from lost clientships.

Our annual Client Experience Survey is conducted as an electronic questionnaire, which is usually sent to the decision-makers and key staff of the client. The expert responsible for a specific engagement names the persons invited to respond to the questionnaire.

The two major chapters of the Client Experience Survey are the total satisfaction experienced by the client and the willingness to recommend us, the Net Promoter Score. A message is immediately sent to client teams if a respondent gives a grade below the limit. The leader of the assignment is responsible for going through the results with the team and discussing the results with the client, where necessary. The results of the client surveys are also discussed per business area and by the Management Team. The electronic questionnaire is supplemented by face-to-face client satisfaction interviews, in which a partner of PwC Finland talks to the top management of the client.

Our clients provided us with a total grade of 8.11 (on a scale of 0-10) in the fiscal year ending in June 2011. This exceeded our goal (8.0). The result last



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year was 7.93. Clients' willingness to recommend us also rose from the previous year.

Our aim during the present fiscal year 2012 is to improve further clients' willingness to recommend us. Our goal is also to chart the expectations and experiences of more and more decision-makers of our services, and we will increase the number of top management interviews in order to do so.

Noble art of listening

The Brand Health Index study (BHI) describes the reputation of the PwC brand in the eyes of our present and potential clients. The study tells us about the issues companies connect with us and of our strengths and weaknesses

compared to our competitors. The study has been conducted for two consecutive years. According to the 2011 study, we have a strong brand. We have succeeded in conducting high-quality work and helping clients prosper. Our conduct has something to be improved, however: we must learn to listen to our clients even better. Our aim is to be more approachable.

The Brand Health Index results were discussed by the Management Team and a wider group composed of representatives of the various business areas. The action plan of each business area contains goals for improving the BHI results and practical measures.

Good practices a habit for all

We want to serve our clients even better. Internally, we speak about the PwC Experience, which defines our conduct toward clients and colleagues. Our goal during the fiscal year is to continue to implement these good practices throughout our entire staff.

Another major development objective is to recognise and manage our key clients even better. This requires from us even more seamless cooperation through the business areas.

We want to be the most sought-after employer in our sector

Skilled and thriving staff are the cornerstone of success in an expert organisation such as ours. One of our strategic goals is to be the most sought-after employer in our sector both amongst young people and more experienced experts. Another strategic goal is our desire to develop an excellent working atmosphere among our staff—we call it the People Experience. The job satisfaction of the staff and the employer image survey conducted among students each year measure our success in relation to the set goals.

The People Experience and adherence to our values—teamwork, leadership and excellence—mean that our staff achieve the best possible results working as teams, produce added value for our clients, and enjoy what they are doing at the same time. This requires the right attitude, respect for each other, and the ability to put ourselves in each other's shoes.

In human resources management, we invest in job satisfaction and the working atmosphere in multiple ways. It is important for us to look after the talent management of our experts. We invest a great deal in personal training and the increase of talent through learning. Job satisfaction and the balancing of work and free time are at the core of our staff policy.

The HR Director, also a member of the extended management team, is responsible for the well-being and development of our staff together with the HR team.

Career path offered by PwC

To achieve our goal of the most sought-after employer in our sector, we must look after our employer image. We achieved a respectable second place in Universum's Nordic's Ideal employers 2011 survey. According to the study on Finland, we were the most popular employer among students of law, and out of all employers, law students ranked us 14th. Among business students, we were the second most popular employer in our sector, and ranked 13th amongst all employers.

This is not enough for us, however; we want to do even better. In an expert organisation such as ours, the training and development opportunities offered to our employees are an important part of a good employer image, in addition to our own staff development. Our way of

working also includes learning-on-the-job, seminars and coaching, and encouragement towards diverse duties and flexible working methods. We believe that these are aspects valued by recent graduates and more experienced workers.

Many experts utilise the possibility of transferring from one group to another inside PwC—for example, from auditing to corporate transactions. We also encourage our employees to gain international experience through international assignments. We assist our employees in creating suitable career paths for themselves, and we are flexible towards the changing circumstances of our employees.

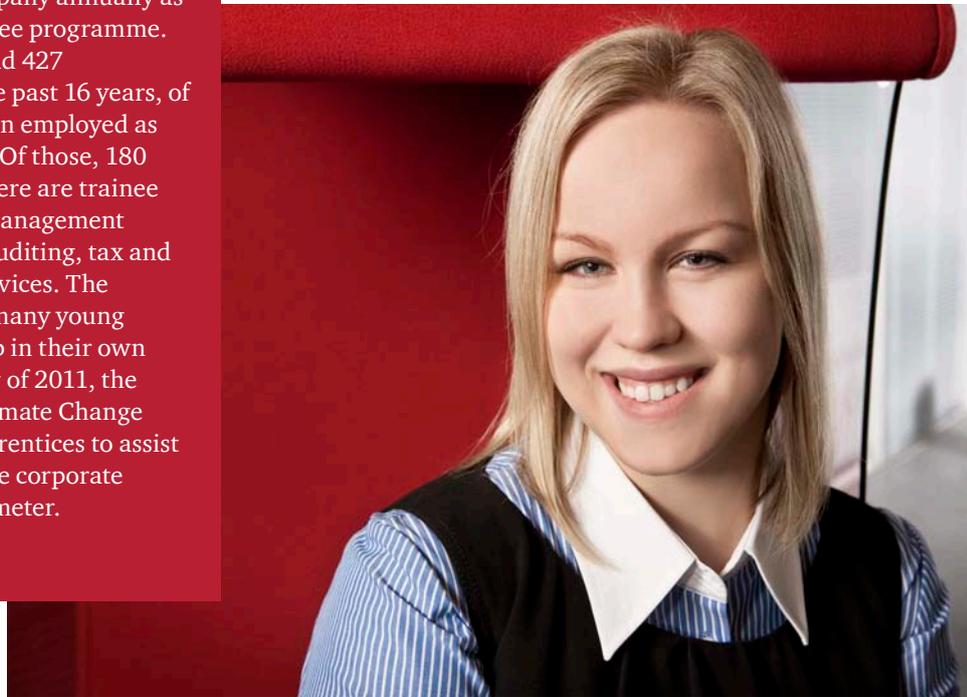
We also encourage our employees to network themselves both internally and

Staff changes

	2011	2010
New recruitments during financial year (permanent)	100	54
Number of trainees during the financial year	62	45
Left employees (permanent)	92	63
Retired employees	8	5
Exit turnover (permanent)	12.8%	8.9%
Entry turnover (permanent)	13.9%	7.6%
Part-time employees on the average	65	57
On parental leave on average during financial year	53	
Employees who have returned from parental leave	31	

Trainee programme

There are roughly 50-60 student trainees in our company annually as a result of the Trainee programme. PwC Finland has had 427 apprentices over the past 16 years, of which 275 have been employed as regular employees. Of those, 180 still work for us. There are trainee posts available in management consulting, deals, auditing, tax and other assurance services. The programme offers many young people their first job in their own sector. In the spring of 2011, the Sustainability & Climate Change team hired two apprentices to assist in the analysis of the corporate responsibility barometer.



externally. During 2010, we arranged two internal networking events at PwC for our young experts. The feedback was extremely positive, and the aim is to continue the practice in the future.

Our staff are the best business card for us with reference to recruitment, and we hope that our staff can recommend us to their own networks. We are actively involved in cooperation with educational institutions, and we send our experts out to talk to students about working at PwC.

Cooperation in the PwC network offers global and Nordic opportunities

As a member of an extensive international network, we have good opportunities to offer international experience to our employees. Many of those who have begun their careers with us have cited the international opportunities offered as one of the main factors that drew them to PwC. There are more than 158 countries in PwC's global network, and our employees have the opportunity to seek employment in all of them.

Foreign assignments are possible for all PwC employees who have done well. The type of assignment and destination is determined on an individual basis to maximise the benefit to the employee's career. The duration of international assignments varies from the three-

month Nordic Swap to a maximum of five years of employment abroad. Most commonly, assignments last from two to three years. The international assignments undertaken by younger experts aim to develop the employees' skills. The assignments of the most experienced employees may be strategic, i.e. employees are sent abroad to achieve important business objectives.

At the end of the fiscal year 2011, 11 employees of PwC Finland were working abroad in eight different countries, including China, the United States, Great Britain and Australia. PwC's Global Mobility network supports employees in international assignments; employees have a Global Mobility Consultant available to them both at home and in the country of destination, and the consultant assists in taking care of issues.

Through international assignments, employees are able to increase their knowledge in a foreign environment while at the same time making new contacts and expanding their own networks. In working with clients, international experience creates added value. We have set a goal that three per cent of our experts would be on foreign assignments each year to increase their knowledge and experience.

Nordic cooperation

We want to offer our young employees an opportunity to accumulate experience abroad and network with their Nordic colleagues. In the spring of 2011, we participated for the third time in the Nordic Swap programme. This is a short-term foreign assignment to Sweden, Denmark, Norway or Iceland. An employee from the destination country is simultaneously sent on assignment to Finland. The assignment usually lasts from three to six months.

Diverse opportunities to develop skills

We are a learning organisation and we offer our staff diverse opportunities to develop their own skills and knowledge via on-the-job learning, learning from others (coaching and mentoring), and various training sessions and seminars. Staff development is supported financially and by enabling the combination of work and studies.

In the fiscal year 2011, we offered internal and external training to our staff for roughly 5,200 working days, i.e. roughly 8.2 working days per person. There was an exceptionally large amount of training in the past fiscal year, as we introduced a new tool for the management and documentation of audit engagements. The average training costs per person were roughly 2,000 euros (1,700 euros) in the fiscal year. These costs only include external training. PwC's own experts provided training for staff for roughly 700 hours in the past fiscal year. The costs of this internal training are not included in the training costs in our bookkeeping.

Each year, we also offer to those experts who meet the criteria the opportunity to take the Chartered or Authorised Public Accountant's exam by offering textbooks, training and the possibility for study leave. We encourage our experts to take other useful exams in our



sector, such as the CIA or CFA exams. From those sitting the exam in 2010, we acquired 10 new Authorised Public Accountants and five new Chartered Public Accountants.

New training method to support performance

In August 2008, we launched a new Performance Coaching & Development (PC&D) system, to support the development of all our employees. With the PC&D tool, everyone can plan and examine their performance and results.

Each PwC member has a personal coach who literally coaches the employee. You can become a coach through the Coaching for Performance training. In the fiscal year, we arranged a large amount of supplementary training for coaches to further develop and maintain their skills.

At PwC, we are unanimous that coaching is an excellent way to support the individual and, at best, major results can be achieved through it. Our goal is also to promote openness through the coaching culture and build mutual trust and respect.

New training programme for the development of deep leadership

In the fiscal year, we invested in deep leadership and the development of interaction skills in management training. In the spring of 2011, a training programme, which supports our coaching culture, began for those in leadership duties. The training programme focuses on recognising and developing one’s own leadership skills. The first training module attracted 45 participants.

Rewarding excellent performance

The PwC incentive system ties annual performance rewards to PwC’s financial performance and personal goals, such as client satisfaction, assignment-specific

feedback and the invoicing or utilisation rate. The basis of rewards and performance appraisals are discussed in the annual superior-subordinate discussions. In the fiscal year 2011, we also on three occasions Special Awards prizes for a job well done. The Special Awards prizes are used to recognise employees and teams for performances that promote the implementation of strategic key areas. Altogether, €2.2m (€2.3m) were paid in bonuses in the fiscal year. The salaries and rewards of the staff amounted to a total of €49.6m (€47.7m).

Job satisfaction survey guides planning

We gauge staff satisfaction through an annual Global People Survey common to the PwC network. The questionnaire charts the level of and changes in management, job satisfaction, staff commitment and corporate responsibility. In the fiscal year 2011, the response rate for PwC Finland was 66 per cent (84 per cent). In all PwC member firms, the common response rate was 72 per cent (74 per cent).

We have set a goal of 70 per cent for the People Engagement Index at PwC Finland. The index for the fiscal year 2011 increased somewhat from the

previous year and was 63 per cent (61 per cent). The highest results were achieved from our client-oriented approach, quality, utilising experience in client engagement, challenging nature of tasks, actions conforming to values, and corporate responsibility. On the basis of the questionnaire, the major points of development include rewarding and transparency of performance appraisal.

The results of the staff survey are examined by the board of directors, the Management Team, each business function, HR team and the People group composed of representatives of the staff. On the basis of the results, specific development targets are chosen, which will be followed during the next fiscal year. The previous development targets have included coaching, work-life balance and cooperation between groups.

Global People Survey results
Response rate

	2011	2010	2009
PwC Finland	66%	84%	78%
PwC Network	72%	74%	71%

People Engagement Index (PEI)

	2011	2010	2009
PwC Finland	63%	61%	65%
PwC Network	68%	66%	74%

Investment in job satisfaction with the help of cooperation partners

We invest into job satisfaction in collaboration with Diacor, the provider of our occupational health care services. We offer to our staff extensive occupational health care services and focus particularly on preventive health care. We look after ergonomics with the company physiotherapist, and our staff have recourse to the services of a personal trainer.

We also arrange a Health Market each year at the Helsinki office, in which our staff may obtain information related to health and well-being, and, for example, neck massages, BMI tests and blood pressure readings. In this fiscal year, we also launched an Ergo Pro programme for physical activity breaks for employees.

We encourage our staff to look after their health by offering extensive opportunities for physical exercise: we support gym memberships, offer vouchers and sports clubs, and events around floorball, ice-hockey, tennis and football.

The low rate of absence from work due to illness, 2.4 per cent (2.7 per cent), reflects the well-being and dedication of our staff. We are a flexible employer that supports its staff in work-life balance. When a child is sick, for example, we offer childcare services and the possibility for remote working. We recognise the project and seasonal nature of working in our sector, and this requires flexibility and even overtime from our staff. In recent years, we have

particularly invested in the follow-up of overtime and encouraged our staff to take compensatory time off whenever possible.

Further opportunities to influence through the People group

The People group is composed of representatives of the staff, and it is the task of the group to act as a communications channel between the company management and staff. The goal of the People group is to listen to the staff and to provide further opportunities for influencing. The group also acts as an occupational health care committee and advisory council as stipulated by the Act on Cooperation within Undertakings. The group convenes four times a year and reports to the management. Where necessary, representatives of the People group can bring issues before the management team of PwC Finland and the partners' meetings.

Main objectives of the equality plan: non-discrimination and fairness

We have drafted an equality plan, and its main goal is to promote the equality of women and men in working life. It is our goal to develop the company and its culture to allow the employer and the employees to treat each other equally

and fairly. All our employees have a duty to pay attention to the equal treatment of staff, both in daily activities and decision-making. According to our equality plan, nobody may be discriminated against due to age, gender, ethnic background, sexual orientation or religion in recruitments or in the different stages of the employment relationship.

Each year, we also conduct a separate salary survey, which examines the potential differences in pay between men and women. In 2010, the survey did not give rise to further measures to develop equality in pay.

In the "Greetings to the CEO" forum launched this fiscal year, equality was one of the specific topics that caused most discussion. We have decided to chart during the next fiscal year how PwC Finland implements equality between the genders in practice and have set up a working group for this purpose. We wait for proposals to develop equality, should the survey prove them necessary.

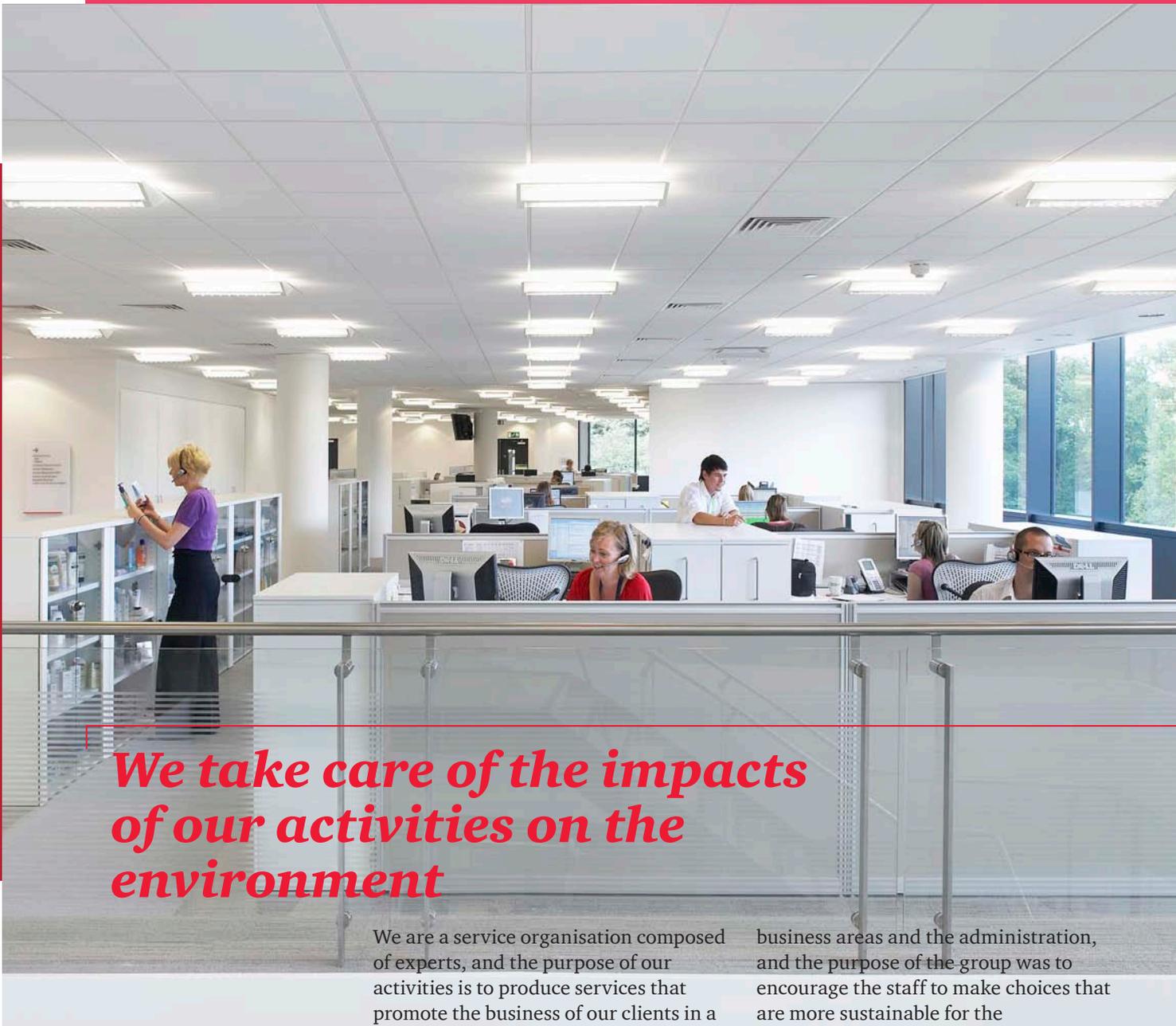
Occupational safety and wellbeing

	2011	2010
Sick leave per cent	2.4%	2.7%
Number of incidents	6	7

Equality

	Women		Men		Total
Assurance	228	52%	210	48%	438
Tax	89	63%	52	37%	141
Consulting and Deals	41	42%	56	58%	97
Administration and Support Functions	44	70%	19	30%	63
Total	402	54%	337	46%	739

	Women		Men		Total
Board of Directors	1	14%	6	86%	7
Management Team	1	10%	9	90%	10
Partners	12	17%	59	83%	71
Director	12	29%	29	71%	41
Senior Manager	43	41%	63	59%	106



We take care of the impacts of our activities on the environment

We are a service organisation composed of experts, and the purpose of our activities is to produce services that promote the business of our clients in a responsible manner. As part of that responsibility, we take care of the impacts of our activities on the environment; these are mainly caused by our office facilities and business travel of our employees.

For many of our client organisations, responsibility and sustainable activities are the norm. Our current and potential employees have more and more expectations of the employer's environmental responsibility. For over a decade, our corporate responsibility experts have supported our clients in the recognition, management and development of their environmental impacts, and in the assurance of environmental information.

In the fiscal year 2008, we set up an environmental working group comprised of experts from different

business areas and the administration, and the purpose of the group was to encourage the staff to make choices that are more sustainable for the environment and to improve the environmental awareness of the staff. The working group drafted instructions on practices that take environmental aspects into consideration and planned environmental counselling. Practical measures were taken, for example, to reduce the use of paper, save energy and boost the recycling of waste. The choice of company cars was influenced by imposing emission limits and making low-emission alternatives financially lucrative to employees.

The work of the environmental group was rewarded in autumn 2010 when the premises of PwC Finland were the first to win the right to use the WWF Green Office logo among the Finnish competitors in the sector. The first Green Office report to the WWF was produced in the spring of 2011.

The 2009 Green Office goals included

Reducing the consumption of electricity	The goal was not achieved; the renovation of new conference facilities increased energy consumption temporarily
Reducing paper consumption	The goal was achieved
Promoting the recycling of waste	The goal was achieved

Based on a follow-up visit, the WWF recommended the promotion of videoconferencing and making procurements that take environmental aspects into consideration, and a reduction in the consumption of electricity. We have taken measures on the basis of the WWF's recommendations, and during the fiscal year 2012, the objective is to chart the possibility of improving the energy efficiency of the Helsinki office together with the owner of the property and other tenants.

In the future, it is our aim to include the regional offices in the follow-up of energy consumption, and challenge our experts to cut down on private motoring with the aid of the GreenRiders car pool programme.

We investigated our carbon footprint

We calculated an estimate of our carbon footprint in the spring of 2011. Through the calculation, we wanted to find out which functions our footprint is composed of and how the emissions from the different functions relate to each other. We began with the energy consumption of our office facilities, air travel, kilometres driven and paper consumption. We also investigated the amount of emissions caused by the purchase of our most important work tool, i.e. laptops. In the future, our aim is to chart in greater detail the environmental impacts which now remained outside the calculation, and to investigate the alternatives for the reduction of impacts or the compensation thereof.

The calculation showed that the majority of emissions come from air travel (roughly 60 per cent) and motoring (roughly 30 per cent). Meeting clients personally is important for us, and we have not set the reduction of travelling as a measurable goal. However, we have recognised the benefits and possibilities of modern videoconferencing equipment to promote more effective and value-adding cooperation. We introduced new conference facilities and videoconferencing equipment in the spring of 2011. End-user training for the equipment will be provided to the staff during the autumn.

Estimate of our carbon footprint

tCO2/a	2010	2009
Air travel	504	394
Driving kilometres	210	212
Electricity consumption*	105	103
Paper consumption	46	52
Total	865	762
Emissions tCO2 per capita	1 338	1 211
Laptops kgCO2 per capita	77	78

* Helsinki office

Green IT award to the PwC network

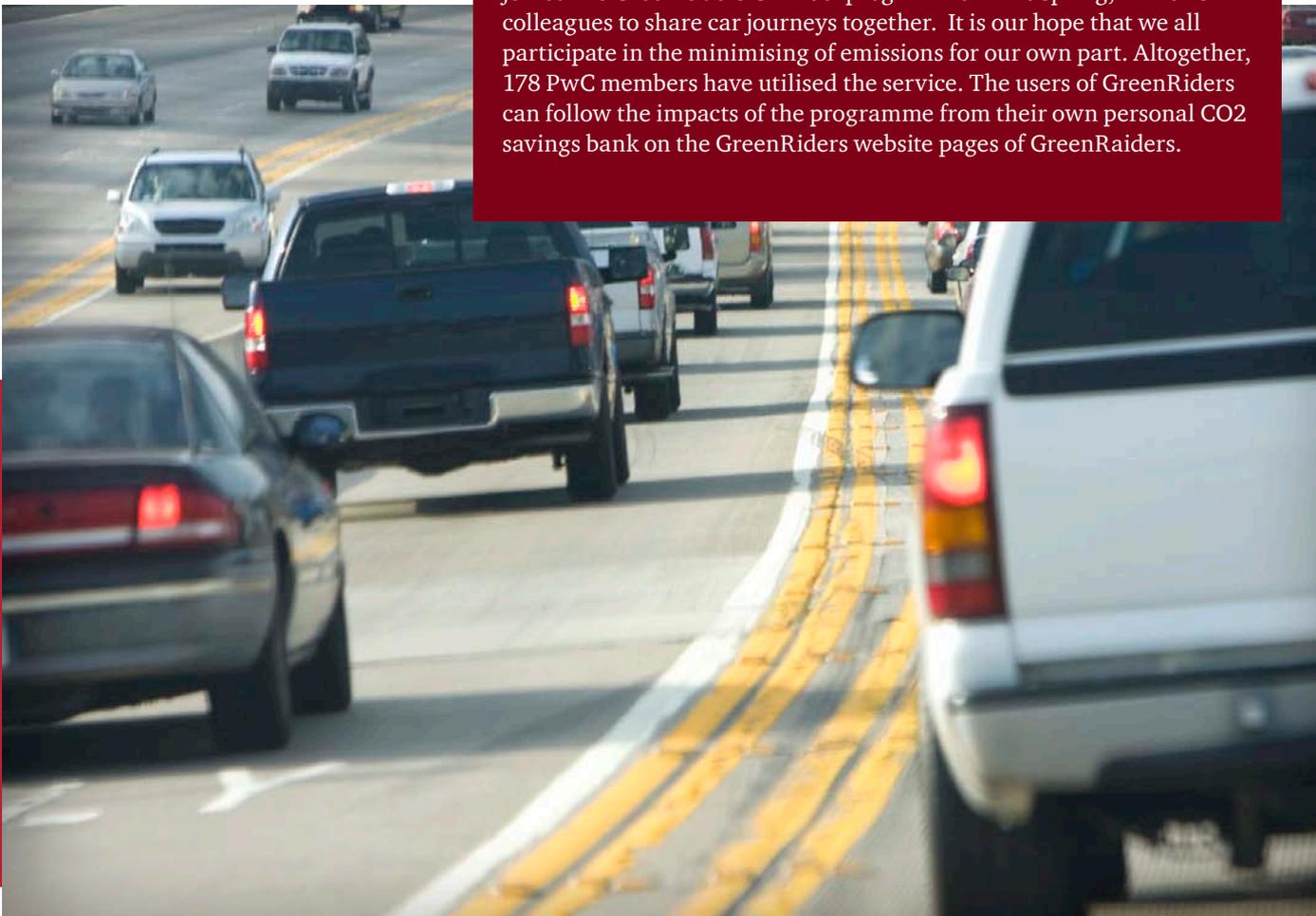
The PwC network achieved international recognition for the reduction of the environmental impacts of its IT function. The PwC won the Computerworld Green IT award by reducing its carbon footprint by 20 per cent in two years. The majority of savings were achieved through an energy-efficient data centre established in the United States.

We have committed ourselves to more energy-efficient server solutions in as well. Over half of our servers were

virtualised during 2010, and by the end of the fiscal year 2012, we intend to virtualise one third more. Depending on the circumstances, virtualisation may improve the energy consumption of the servers to a significant degree. We eagerly wait to learn about the impacts virtualisation will have on our own energy consumption in the forthcoming fiscal year. We purchase our laptops via a leasing agreement, and all new computers meet the criteria of the Energy Star energy saving programme.

GreenRiders

As part of the effort to reduce the burden on the environment, we joined the GreenRiders Car Pool programme in the spring; it allows colleagues to share car journeys together. It is our hope that we all participate in the minimising of emissions for our own part. Altogether, 178 PwC members have utilised the service. The users of GreenRiders can follow the impacts of the programme from their own personal CO2 savings bank on the GreenRiders website pages of GreenRaiders.



Board of Directors and the Management Team

Board of Directors from 1 July 2011



Eero Suomela
(Chairman of the Board)
APA, Partner
Born 1953



Janne Rajalahti
APA, Partner
Born 1964



Heikki Lassila
APA, Partner
Born 1958



Juha Wahlroos
APA, Partner
Born 1956



Merja Lindh
APA, Partner
Born 1962



Kai Wist
LL.M., trained on the bench,
Partner
Born 1959



Pekka Loikkanen
APA, Partner
Born 1959

Management Team

from 1 September 2011



Kim Karhu
APA, Partner
CEO
Born 1956



Johan Kronberg
APA, Partner
Territory Senior Partner
Born 1956



Petri Seppälä
Associate in Laws, LL.M,
Partner
Head of Tax Services
Born 1967



Mikko Nieminen
APA, Partner
Head of Assurance
Services
Born 1973



Marko Korhikoski
M.Sc.(Econ.), CIA, Partner
Markets Leader
Born 1965



Timo Raikaslehto
B.Sc.(Econ.), Partner
Head of Consulting and Deals
Born 1958



Jukka-Pekka Joensuu
LL.M., trained on the bench,
Partner
COO
Born 1966

Members of the expanded Management Team also include

Timo Takalo, APA, Technology Partner, born 1968

Markku Tynjälä, APA, Head of Family Business Services, born 1959

Eero Alho, M.Sc. (Tech.), HR Director, born 1957

Sirpa Korhonen, M.Sc.(Econ.), Chief Financial Officer, born 1966

Matias Lindholm, M.Sc.(Econ.), Quality and Risk Management Partner,
born 1962

Reporting principles

This report covers the fiscal year 1 July 2010-30 June 2011 of PricewaterhouseCoopers Oy, with the exception of the environmental information, which has been reported per calendar year. The report covers the activities of PricewaterhouseCoopers Oy but not our affiliated company PwC Julkistarkastus Oy.

Financial information

The reported financial information is based on our consolidated financial statements and bookkeeping.

More detailed information on our financial performance and the presentation of our turnover can be read in our statutory financial statements.

Staff information

The staff information has been derived from our payroll system and separately maintained statistics.

The average training days for our staff come from the hourly time tracking system. The divider for the key figure training days per person is a full-time equivalent (FTE).

Sick leave hours have been obtained from our hourly time tracking system, and the hours have been proportioned to the working hours put in. Theoretical regular working hours have not been used in the calculation, as the working hours of our experts vary per month.

Recordable incidents only include those incidents approved by our insurance company.

Environmental information

Electricity consumption, which is the basis for the carbon dioxide emissions of electricity consumption, covers only the Helsinki office so far and is based on an annual reading of the meters. The reading of the meters is not a constant, so the amount of consumption is an estimate for the period 1 January to 31 December 2010. The CO2 calculation has been done using the Helsinki Energy coefficient CO2 126gCO2/kWh.

The air travel kilometres have been derived from the reports of our cooperation partners Suomen Matkatoimisto and Kaleva Travel, which cover the flights obtained through those companies during 1 January to 31

December 2010. The named cooperation partners have done the emission calculation for the flights.

Paper consumption has been derived from the purchase invoices of office paper during 1 January to 31 December 2010. The CO2 emissions caused by paper consumption and the procurement and use of laptops have been calculated by the WWF environment calculator.

The daily commuting kilometres of our staff in the fiscal year 2011 (driving during 1 July 2010-30 June 2011) have been taken from our travel claim system, and the driving covers the kilometres related to client assignments, which are charged from the clients, and the internal kilometres related to administration or training to the extent that our experts have claimed compensation in their travel claims. The kilometres also include the kilometres driven using our company cars during assignments but not free-time driving. The CO2 calculation for the driving kilometres has been done on the basis of the CO2 emissions of an average sized private car (VTT's Lipasto database).

www.pwc.com/fi



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